

CONTINGENCY CONTRACTING IN KOSOVO— STARTING FROM SCRATCH

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Introduction

In April 1999, while an Early Entry Contracting Team (EECT) from the U.S. Army Contracting Command Europe (USACCE) deployed to Albania with Task Force Hawk, USACCE was already finalizing plans to send another EECT to Kosovo to support Task Force Falcon. The second team's mission was to provide critical local contracting support to U.S. troops in the early stages of a permissive to nonpermissive Kosovo entry.

On June 13th, the Kosovo EECT was pre-positioned at Camp Able Sentry in the Former Yugoslavian Republic of Macedonia (FYROM) to prepare for forward movement. When the force entered Kosovo a few days later, an EECT reconnaissance element moved forward to determine what the local businesses could provide. At HQ, Task Force Falcon (Camp Bondsteel), the recon element found only a few tents in the middle of a wheat field, no operating local phone network, and few Kosovars. Calling back to Camp Able Sentry using a tactical phone, one contingency contracting officer (CCO) reported "I think it's going to be a while before we can operate here."

Initial Recon

The initial recon lasted 3 days. A civil affairs team from Fort Bragg, NC, agreed to have CCOs accompany it dur-

ing missions to the Kosovar towns of Gnjilane and Urosevac. Traveling with the civil affairs team proved useful from both the contracting and informational exchange perspectives. The team's translator enabled communication with local officials, while the team's contracting officer helped "win the hearts and minds" of the local populace by contributing to the local economy with local purchases.

During these missions, bakeries and food markets were the only businesses operating. City officials indicated that other businesses would reopen in 2 weeks. Yugoslavian forces had dismantled or destroyed cellular networks and telephone relay stations, thereby making calls between cities impossible. These conditions resulted in having the recon element return to FYROM. The EECT initially provided Camp Able Sentry with commercial line haul and troop transport, heavy cranes for use both at Camp Able Sentry and Bondsteel, and portable toilets for the rapidly increasing numbers of troops in FYROM and Kosovo.

Joint Contracting Center (JCC)

Six days later, the contracting team deployed forward to set up the JCC. For 2 weeks, the contracting team lived and operated out of the 106th Finance Battalion (Forward) detachment. This arrange-

ment allowed an outstanding working relationship to develop between JCC personnel and finance personnel, which is important in any contingency.

The JCC team eventually received a tent from the supply folks and established an office and sleep area just inside the front gate. This gave vendors immediate access to the JCC. Being only 1 kilometer from the main camp area did have drawbacks. Task Force Falcon had no excess generators, so the JCC was without power until USACCE supplied funds to purchase one. Because of a communication wire shortage at Camp Bondsteel, several weeks elapsed before any attempt was made to establish JCC communications.

Despite these challenges, the JCC was able to provide immediate support. Because Task Force Falcon members had to rely solely on Meals, Ready-to-Eat (MREs), the command wanted fresh bread to supplement daily meals. JCC was tasked to find local sources for bread until Defense Logistics Agency subsistence buyers arrived to establish long-term contracts. MAJ Nicholas Vozzo went with a group of soldiers to Gnjilane and Urosevac on a "bread patrol." Bakeries were one of the few businesses open, but all had limited production capacities. MAJ Vozzo established contracts with several bakeries to ensure that each could supply their regular customers as well as



A "bread patrol" in Gnjilane, Kosovo

meet Task Force Falcon requirements. The simple diet addition of fresh bread greatly improved troop morale.

The contracting team continued to educate customers supported by the Task Force on just what the JCC could do for them. Daily reconnaissance with the civil affairs team revealed that some local businesses were opening. When MAJ Dan Rosso, USACCE, and Senior Airman Larry Hubbard, Laughlin AFB, TX, arrived in mid-July, the JCC greatly increased the number of requirements being purchased in Kosovo.

Communications

The JCC was unable to link into the tactical communications network for several weeks because of a continuing wire shortage. A Mobile Subscriber Equipment (MSE) line was finally run to the JCC, but it was promptly cut by the continual road and site construction between the JCC and the nearest signal node. For 2 months, more attempts were made to connect to the MSE network, but those lines were also cut within days. The Camp Bondsteel JCC did not have a dedicated MSE line until telephone poles were installed in September. An Internet connection, standard across the camp since July, was not in place until October. This greatly hindered sourcing and orders to fulfill requirements.

Communications significantly improved in early August when four Iridium satellite phones arrived from the United States. With the hard work of LTC Daniel Hughes, Program Executive Officer for Command, Control and Communications Systems at Fort Monmouth, NJ, the normal 1-2 month process of getting Iridium phone service established was reduced to 1 week. For the first time, the JCC was able to communicate with vendors throughout the United States and Europe. This was particularly useful for numerous IMPAC credit card purchases through U.S. companies. U.S. involvement in Kosovo demonstrated the unreliable nature of cellular phone networks, so a satellite system with telephone and data capability is the standard for future USACCE deployments in austere locations. This capability will provide Internet access (i.e., more vendors) immediately upon reaching the operational area.

The Border

Having goods procured from other countries delivered through the FYROM border became an early deployment challenge. For the first few days, traffic was light and FYROM customs officials passed the commercial vehicles escorted by the Kosovo Peacekeeping Force (KFOR) unimpeded. However, the border situation deteriorated rapidly, and mile-

long traffic backups soon became the norm.

Gravel was purchased in FYROM because muddy conditions at Camp Bondsteel made gravel an absolute necessity early in the deployment. In addition, Kosovo quarries were not expected to operate for several weeks. Despite traffic snarls, a CCO escort ensured the first day's delivery went smoothly. The next day, however, customs officials required export paperwork, which added 5 hours to the procurement time and hundreds of deutsche marks (DM) to the delivery costs. According to FYROM officials, the NATO customs fee exemption applied to imports only. Two days later, green international insurance cards were required to leave FYROM. The cards cost several hundred DM and served no purpose in Kosovo. Within hours of the CCO advising them of this new development, FYROM KFOR officials eliminated this requirement through negotiation.

Despite continuous bureaucratic requirements at the border, the most serious problem was the traffic. The two-lane road from Skopje to the border is narrow and winding. Five days after NATO entered Kosovo, the flow of returning refugees and trucks bringing consumer goods and humanitarian supplies created 3- to 5-mile traffic jams. The gravel convoy was routinely delayed 2-4 hours. The wait would have been longer, but the CCO "bullied" the convoy through. Fortunately, just as the border situation reached its worst, the Camp Bondsteel JCC located an existing Kosovo quarry, which eliminated the need for gravel deliveries from FYROM.

Within a month, 6-hour border delays were the norm. To reduce these traffic jams, FYROM officials eventually had all commercial vehicles heading to Kosovo stage on side roads 12 kilometers from the border. An average of 300 vehicles waited up to 5 days to cross the border. To reduce this border-crossing delay, the JCC began inserting vendors in the daily logistics convoy between Camp Able Sentry and Camp Bondsteel. FYROM officials expedited these convoys from Camp Able Sentry through the

border at a specific time each day. Vendors were charging higher delivery fees because of the delays. This method eliminated those charges while getting needed supplies to soldiers faster.

Improving The Vendor Base

At the start of the deployment, the region lacked a local vendor base. Business owners had either fled to neighboring countries, or inventories had been destroyed or taken by Yugoslavian forces. The JCC quickly educated local businessmen on U.S. business practices. However, cash and commodity shortages in Kosovo made restarting these businesses difficult. While the Prompt Payment Act required payment within 30 days of delivery, 106th Finance and JCC agreed that the hand-to-mouth existence of the local population warranted immediate payment after delivery. Most purchases in the first weeks were made at vendor locations using SF-44, *Purchase Order Invoice Voucher*. With a paying agent from finance accompanying the contracting officer, vendors were paid on a “cash-and-carry” basis. These early purchases gave an immediate boost to the local economy.

Following the bread contracts, the next priority involved obtaining construction material for initial improvements to Camp Bondsteel. Millions of dollars in gravel were purchased from local quarries to reduce border delays and costs, improve roads, and begin camp construc-



On the road to Kosovo (from FYROM), 7 kilometers from the border

tion. Displaying NATO impartiality in Kosovo, the JCC continually searched for Serb vendors. CPT Dave Pinter, 10th Mountain Division, awarded the first contract to a Serbian business for metal boot wash containers. Arriving in September, MAJ Jeff Harrington, USACCE, and MAJ Ed Ottman, Army Materiel Command, established a JCC at Camp Monteith in Gnjilane. With two JCCs operating in the U.S. sector, the vendor base increased almost daily. Some goods could not be found in Kosovo, while other items were sold at unreasonable prices. The JCCs had to procure these goods elsewhere. Despite these challenges, more

than 75 percent of 1999 contracts were awarded to local vendors.

Conclusion

Under austere conditions and with poor communications, initial Kosovo contracting operations proved extremely challenging. The JCCs provided critical support early in the deployment. This improved working conditions and communications, allowing the JCCs to greatly expand the local vendor base and provide improved support to Task Force Falcon. Soldiers deployed to Kosovo can appreciate a higher level of mission and life support as a result of these continuing JCC efforts.

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